

## SUBCHAPTER B—REGULATIONS AFFECTING MARITIME CARRIERS, OCEAN FREIGHT FORWARDERS, MARINE TERMINAL OPERATIONS, PASSENGER VESSELS, TARIFFS AND SERVICE CONTRACTS

### PART 510—LICENSING OF OCEAN FREIGHT FORWARDERS

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#### Subpart A—General

##### § 510.1 Scope.

(a) This part sets forth regulations providing for the licensing as ocean freight forwarders of persons, including individuals, corporations and partnerships, who wish to carry on the business of freight forwarding. This part also prescribes the bonding requirements and the duties and responsibilities of ocean freight forwarders, regu-

lations concerning practices of freight forwarders and common carriers, and the grounds and procedures for revocation and suspension of licenses.

(b) Information obtained under this part is used to determine the qualifications of freight forwarders and their compliance with shipping statutes and regulations. Failure to follow the provisions of this part may result in denial, revocation or suspension of a freight forwarder license. Persons operating without the proper license may be subject to civil penalties not to exceed \$5,000 for each such violation unless the violation is willfully and knowingly committed, in which case the amount of the civil penalty may not exceed \$25,000 for each violation; for other violations of the provisions of this part, the civil penalties range from \$5,000 to \$25,000 for each violation (46 U.S.C. app. 1712). Each day of a continuing violation shall constitute a separate violation.

##### § 510.2 Definitions.

The terms used in this part are defined as follows:

(a) *Act* means the Shipping Act of 1984 (46 U.S.C. app. 1701-1720).

(b) *Beneficial interest* includes a lien or interest in or right to use, enjoy, profit, benefit, or receive any advantage, either proprietary or financial, from the whole or any part of a shipment of cargo where such interest arises from the financing of the shipment or by operation of law, or by agreement, express or implied. The term *beneficial interest* shall not include any obligation in favor of a freight forwarder arising solely by reason of the advance of out-of-pocket expenses incurred in dispatching a shipment.

(c) *Branch office* means any office established by or maintained by or under the control of a licensee for the purpose of rendering freight forwarding services, which office is located at an address different from that of the licensee's designated home office. This